



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5

77 WEST JACKSON BOULEVARD

CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF:

SR-6J

GENERAL NOTICE LETTER
URGENT LEGAL MATTER -- PROMPT REPLY NECESSARY
CERTIFIED MAIL: RETURN RECEIPT REQUESTED

Mike Landes, President
Anco Products, Inc.
2500 17th St.
Elkhart, Indiana 46517-1412

Re: Lusher Street Groundwater Contamination Site
Elkhart, Indiana (the "Site")
General Notice of Potential Liability

Dear Sir:

This letter notifies you of potential liability, as defined by Section 107(a) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9607(a), as amended (CERCLA), that you may incur or may have incurred with respect to the above-referenced Site. This letter also notifies you of potential response activities at the Site, which you may be asked to perform or finance at a later date.

NOTICE OF POTENTIAL LIABILITY

The U.S. Environmental Protection Agency (EPA) has documented the release or threat of release of hazardous substances, pollutants, or contaminants into the environment at the above-referenced Site. EPA has spent, and is planning to spend, public funds to investigate and control such releases or threatened releases at the Site. This action will be taken by EPA pursuant to CERCLA, 42 U.S.C. §§ 9601-9675 unless EPA determines that such action will be done properly by a responsible party or parties.

Under Sections 106(a) and 107(a) of CERCLA, 42 U.S.C. Sections 9606(a) and 9607(a), and other laws, potentially liable parties may be ordered to perform response actions deemed necessary by EPA to protect the public health, welfare or the environment, and may be liable for all costs incurred by the government in responding to any release or threatened release at the Site.



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Such actions and costs may include, but are not limited to, expenditures for conducting a Remedial Investigation/Feasibility Study (RI/FS), conducting a Remedial Design/Remedial Action (RD/RA), and other investigation, planning, response, oversight, and enforcement activities. In addition, potentially liable parties may be required to pay for damages for injury to, destruction of, or loss of natural resources, including the cost of assessing such damages.

EPA has evaluated information in connection with the investigation of the Site. Based on this information, EPA believes that you may be a potentially responsible party (PRP) with respect to this Site. PRPs under CERCLA include current and former owners and operators at the Site and persons who generated hazardous substances or were involved in the transport, treatment or disposal of hazardous substances at the Site.

By this letter, EPA notifies you of your potential liability with regard to this matter and encourages you to agree to reimburse EPA for costs incurred to date and to voluntarily perform or finance those response activities that EPA determines are necessary at the Site. In accordance with CERCLA and other authorities, EPA has already undertaken certain actions and incurred certain costs in response to conditions at the Site. These response actions include hooking homes up to municipal water supplies or providing whole-house well filters to prevent exposure to contaminated groundwater, and performing an RI/FS. EPA expects to expend additional funds for response activities at the Site under the authority of CERCLA and other laws.

SPECIAL NOTICE AND NEGOTIATION MORATORIUM

You may receive an additional notice from EPA in the future. That notice would either inform you that EPA is using the CERCLA Section 122(e) special notice procedures to formally negotiate terms of a consent order or consent decree to conduct or finance Site response activities, or it would inform you that EPA is not using such procedures pursuant to Section 122(a). If EPA does not use Section 122(e) special notice procedures, the notice would specify why the special notice procedures were not appropriate in this case.

Under Section 122(e), EPA has the discretionary authority to use the special notice procedures if EPA determines that such procedures would facilitate an agreement between EPA and the PRPs and would expedite remedial action at the Site. Use of the special notice procedures triggers a moratorium on certain EPA activities at the Site. The purpose of the moratorium is to provide a period of time when PRPs and EPA may enter into formal negotiations for PRP conduct or financing of the response activities at the Site.

The initial moratorium for the RD/RA lasts for 60 days after the notice. If EPA determines that an offer to perform or finance the activities is submitted by the PRPs within those 60 days, and that the offer is a good faith offer, a 60 day extension is provided for by statute for further negotiations.

If EPA determines that a good faith offer has not been submitted within the first 60 days of the moratorium period, EPA may terminate the negotiation moratorium under Section 122(e)(4) of CERCLA. EPA then may commence such cleanup or enforcement actions as it deems

appropriate. In the absence of an agreement with the parties to perform or finance the necessary cleanup activities, EPA may undertake these activities and pursue civil litigation against the parties for reimbursement of Site expenditures. Alternatively, EPA may issue an administrative order pursuant to Section 106(a) of CERCLA to require PRPs to commence cleanup activities, or may commence civil litigation pursuant to Section 106(a) of CERCLA to obtain similar relief. Failure to comply with an administrative order issued under Section 106(a) of CERCLA may result in a fine of up to \$37,500 per day, under Section 106(b) of CERCLA, or imposition of treble damages, under section 107(c)(3).

SITE RESPONSE ACTIVITIES

At present, EPA is planning to conduct the following activities at the Site:

1. An Interim Remedial Action to eliminate current risks and potential risks to homeowners in the Site area who may be exposed to contaminated groundwater and/or vapor intrusion. This Interim Remedial Action will be based on the RI and the Focused Feasibility Study that EPA has conducted, and will be selected after review of public comments on EPA's proposed Interim Remedial Action. EPA expects to issue its proposed Interim Remedial Action plan in November, 2013.
2. Remedial Design and Remedial Action (RD/RA) to design and implement the interim remedial action selected and approved by EPA for the Site beginning in 2014.
3. A Supplemental Remedial Investigation (RI) to identify the Site characteristics and to define the nature and extent of soil, air, surface water, and groundwater contamination at the Site and risks posed by the Site, focusing on potential source areas of groundwater contamination. EPA may decide to conduct two Supplemental RIs, one addressing ongoing sources of groundwater contamination, and one addressing long-term threats presented by contaminated groundwater at the Site.
4. A Feasibility Study (FS) to evaluate alternative remedial actions to remove, treat, or contain hazardous substances, pollutants, and contaminants at the Site. EPA may decide to conduct two FSs, one addressing ongoing sources of groundwater contamination, and one addressing long-term threats presented by contaminated groundwater at the Site.
5. Remedial Design and Remedial Action (RD/RA) to design and implement the final remedial actions selected and approved by EPA for the Site.
6. Follow-through activities to monitor, operate, and maintain the completed remedial action as required at the Site after the remedial action is complete.

INFORMATION TO ASSIST RESPONSIBLE PARTIES

EPA would like to encourage good faith negotiations between the PRPs and EPA, as well as among the PRPs. To assist PRPs in preparing a proposal and in negotiating with EPA concerning this matter, EPA is providing the following information as enclosures to this letter:

1. A list of names and addresses of PRPs to whom this notification is being sent. This list represents EPA's preliminary findings on the identities of PRPs. Inclusion on, or exclusion from, the list does not constitute a final determination by EPA concerning the liability of any party for the release or threat of release of hazardous substances at the Site.
2. A fact sheet that describes the Site.

PRP STEERING COMMITTEE

EPA recommends that all PRPs meet to select a steering committee responsible for representing the group's interests. Establishing a manageable group is critical for successful negotiations with EPA. Alternatively, EPA encourages each PRP to select one person from its company or organization who will represent its interests.

ADMINISTRATIVE RECORD

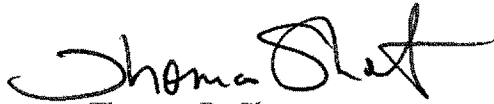
Pursuant to CERCLA Section 113(k), EPA must establish an administrative record that contains documents that form the basis of EPA's decision on the selection of a response action for a Site. The administrative record files, which contain the documents related to the response action selected for this Site, will be available to the public for inspection and comment. The primary location is the EPA Region 5 Superfund Records Center, 7th Floor, 77 W. Jackson Blvd., Chicago, IL 60604-3590. The Records Center is open Monday - Friday, 8 am - 4 pm.

PRP RESPONSE AND EPA CONTACT

You are encouraged to contact EPA by mail or e-mail to indicate your willingness to participate in future negotiations at this Site. You may respond individually or through a steering committee if such a committee has been formed.

If you have any questions pertaining to this letter, please contact or direct your attorney to contact Thomas Krueger, Associate Regional Counsel,(312) 886-0562, Krueger.Thomas@epa.gov, or Sheila McAnaney, Assistant Regional Counsel, at (312) 353-3114, McAnaney.Sheila@epa.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas R. Short". The signature is fluid and cursive, with the first name "Thomas" being more prominent than the last name "Short".

Thomas R. Short
Chief, Remedial Response Branch #2
Superfund Division

Enclosures

bcc: Grace Co, EPA
Thomas Krueger, EPA
Sheila McAnaney, EPA
Syed Quadri, EPA

Fact Sheet

The Lusher Street Ground Water Contamination site is a groundwater plume contaminated with chlorinated solvents located in Elkhart, Indiana. The area of groundwater contamination is approximately bordered to the north by the St. Joseph River, to the west by Nappanee Street, to the south by Hively Avenue, and to the east by Oakland Avenue. (It should be noted that although the site was named "Lusher Street Ground Water Contamination site," Lusher Street is actually Lusher Avenue.) The source or sources of the chlorinated solvents are being investigated since there are numerous facilities in the area that may have used and released such solvents.

While conducting an extent of contamination study at the Gemeinhardt facility at 57882 State Road 19, contaminants were detected in private drinking water wells in an area immediately south of Lusher Avenue and the Elkhart County Health Department was notified. In 1987, the Elkhart County Health Department began an investigation of the area, which included sampling 145 wells. The sampling found that 103 private drinking water wells contained elevated levels of trichloroethylene (TCE) and 1,1,1-trichloroethane (1,1,1-TCA) and other chlorinated solvents. Subsequently, the Health Department requested assistance from EPA in providing alternate drinking water supplies to the affected residences and businesses.

EPA installed point-of-use carbon filters in 13 residences and businesses to reduce contaminant concentrations below the acceptable safe drinking water standards. In addition, EPA converted two residences' water supply from private wells to city water because these residences showed contaminant levels which exceeded the Agency for Toxic Substances and Disease Registry (ATSDR) action levels. Based on additional sampling in 1988, EPA provided five additional residences and businesses with city water.

In 1989, the Indiana Department of Environmental Management (IDEM) began its own water testing to determine if other residents should be provided alternate water supplies at the State's expense. As a result, municipal water lines were extended to the majority of impacted properties and one residence was provided with a point-of-use carbon filter because no municipal water main was in close proximity.

In 2006, IDEM's Site Inspection Section began additional sampling and found 11 wells in which contaminants exceeded drinking water levels for TCE and one additional well which contained an elevated level of 1,1-dichloroethene (DCE). IDEM's State Cleanup Program provided bottled water to those people whose water was found to exceed drinking water Maximum Contaminant Levels (MCLs) and alerted EPA. Additional EPA sampling resulted in a second removal action which included providing additional residents with point-of-use carbon filters for drinking water.

The State of Indiana subsequently referred the site to EPA because a long term comprehensive solution is needed to protect the drinking water wells and residences in the area. In 2007, the Lusher Street Ground Water Contamination site was proposed for listing on the National Priorities List (NPL), citing contamination of groundwater with chlorinated solvents including TCE; 1,1,1-TCA; trans 1,2-DCE; cis-1,2-DCE; 1,1-DCE; and tetrachloroethylene (PCE). Most of these compounds can affect the central nervous system, liver, and kidneys. Some can be absorbed through intact skin, and several are suspected or known to cause cancers.

In March of 2008, the NPL listing for the Lusher Street Groundwater Contamination site was finalized. The NPL program provides an approach to investigate and address all of the contamination sources and associated plumes to protect human health and the environment at the site. In 2009, EPA began a phased remedial investigation (RI) to investigate the sources, nature, and extent of the contamination. The RI serves as the mechanism for collecting data to: characterize site conditions; determine the nature of the waste; assess risk to human health and the environment; and conduct treatability testing to evaluate the potential performance and cost of the treatment technologies that are being considered.

The 2009 field investigation was completed in two rounds: April through May 2009 and in October 2009. The investigation report for the 2009 field work was completed in March 2010. The March 2010 report identified a number of facilities that may be considered a potential source of groundwater contamination at the Lusher site. EPA is gathering additional information from these potential source facilities prior to making an enforcement decision.

In 2010, EPA continued on the phased RI to investigate the nature and extent of groundwater contamination. As part of this 2010 RI effort, EPA collected approximately 60 residential well samples from August through October of 2010. From November 2010 through February 2011, subsurface soil and ground water samples were collected from various locations at the site and analyzed. During this effort, a total of 8 permanent monitoring wells and 4 temporary wells were installed at various locations of the Lusher site. Several rounds of vapor intrusion samples (Step 1 through Step 4) were collected from November 2011 through August 2012 for the following media: groundwater, subsurface soils, sub-slab soils, indoor air and ambient air. A third round of monitoring well sampling event was conducted in August 2012. Additional indoor air and sub-slab samples were collected in October 2012. Additional vapor intrusion sampling was conducted in December 2012.

EPA has completed a Remedial Investigation (RI) Report, which summarizes the site investigation activities, data collected and the nature and extent of contamination. Along with the RI Report, EPA has completed a Focused Feasibility Study (FFS), which outlines a mechanism for the development, screening, and detailed evaluation of alternative interim remedial actions. Based on the FFS, EPA expects to issue a proposed cleanup plan that EPA will share with the public for review and comment before selecting a final plan.

List of names and addresses of the other PRPs to whom the notification is being sent:

Anco Products, Inc.
2500 17th Street
Elkhart, IN 46517-1412
Mike Landes, President

Atlas Chem-Milling
1627 West Lusher Ave.
Elkhart, IN 46517

Atlas Die, LLC
Elkhart Chem-Milling Division
2000 Middlebury Street
Elkhart, IN 46516
Kenneth J. Smott, President

B-D Industries, Inc.
1715 Fieldhouse Ave.
Elkhart, IN 46517

Elkhart Plating
1913 S. 14th Street
P.O. Box 74
Elkhart, IN 46515
George Malcolm, President

Flexible Foam Products, Inc.
1900 West Lusher Ave.
Elkhart, IN 46517

Flexible Foam Products, Inc.
200 East North Street
Spencerville, OH 45887
Rich Whitling, Chief Executive Officer

Gaska Tape Inc.
1810 West Lusher Ave.
Elkhart, IN 46517
Jack Boyd Smith Jr., President

Holland Metal Fab, Inc.
1550 West Lusher Ave.
Elkhart, IN 46517

Sturgis Iron & Metal Co. Inc.
2160 South Centerville Rd.
Sturgis, MI 49091

Sturgis Iron & Metal Co. Inc.
c/o Steel Dynamics, Inc.
6714 Pointe Inverness Way
Fort Wayne, IN 46804
Mark Millett, President

Walerko Tool & Engineering Corp.
1935 West Lusher Ave.
Elkhart, IN 46517
Edward M. Walerko, President

